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No. 95-549

IN THE

Supreme Court of the United States

OCTOBER TERM, 1995

JENNIFER DUMAS and JENNIFER DUMAS, INC.,

Petitioners,

vs.

PLAYBOY ENTERPRISES, INC., and SPECIAL EDITIONS, LTD.,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

BRIEF AMICI CURIAE OF COMMITTEE FOR LITERARY PROPERTY STUDIES, VOLUNTEER LAWYERS FOR THE ARTS, AND THE NATIONAL WRITERS UNION, IN SUPPORT OF THE PETITIONERS

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INTEREST OF AMICI CURIAE

This brief is filed with the consents of the parties, which are submitted herewith. The amici curiae, who also filed a brief below, are:

The Committee for Literary Property Studies, which has filed amicus curiae briefs in *Stewart v. Abend*, 495 U.S. 207, 227 (1990) and other cases.

Volunteer Lawyers for the Arts, a non-profit organization. It provides free legal services to visual artists and groups, and files amicus curiae briefs in cases affecting them; e.g., *Community for Creative Non-Violence v. Reid* ("*CCNV v. Reid*"), 490 U.S. 730 (1989).

National Writers Union, one of the largest authors' groups and a principal advocate for their rights in Congressional and Copyright Office hearings.

INTRODUCTION AND SUMMARY OF ARGUMENT

The parties dispute whether copyrights in paintings created under the 1976 Copyright Act by Patrick Nagel, and published by Playboy Enterprises ("PLAYBOY"), vested in Nagel (Ms. Dumas late husband) or PLAYBOY.

Since Nagel prepared each painting as a self-employed artist, its copyright initially vested in him, as "author", when the work was created [§§201(a), 201(c) and 302(a)], unless he and PLAYBOY had "expressly agree(d) in a written instrument signed by them that the work shall be considered a work made for hire" [§101(2)], so that PLAYBOY was deemed the "author". [§ references are Title 17.]

The "written instrument(s)" PLAYBOY relies on is the first clause in a form "legend endorsement" it stamped on each check it sent to Nagel after a work was created, which "acknowledges payment in full for services rendered on a work for hire basis in connection with the work ..." [App. B, Petition, p. 93a.]

Disagreeing with *Schiller & Schmidt, Inc. v. Nordisco Corp.*, 969 F.2d 410 (7th Cir. 1992), the Court below held that §101(2)'s explicit written-instrument requirement was satisfied if, prior to a work's creation, the parties impliedly agreed that it would be considered a work made for hire and, after its creation, signed a written instrument confirming or memorializing the implied agreement.

We submit the Court below erred, and that the Seventh Circuit correctly decided that the explicit written instrument required by §101(2) had to be signed before a work was created.

We urge that this Court grant certiorari to resolve the conflict between the two Circuits and determine whether the §101(2) written instrument must be signed before a work is created in order for it to be considered a work made for hire.

REASONS FOR GRANTING THE PETITION

I. A Conclusive Interpretation of §101(2) is Urgently Needed

The Court should grant certiorari for its interpretation is urgently needed to remove uncertainty as to when §101(2)'s "written instrument" must be executed.

Otherwise, years may elapse before authors, publishers, and licensees of commissioned works can be certain -- after the Court eventually does rule -- whether the work's copyright vested in its author, or in the commissioning publisher; and thus, whether the copyright will endure for the life-plus 50 year term under §302(a) for copyrights vested in authors, or for the 75/100 year term under §302(c) for works made for hire.

There will also be prolonged uncertainty as to whether the author or his heirs have the right under §203 to terminate long-term transfers of the copyright.

If certiorari is denied, these continuing uncertainties about present and future commissioned works will adversely affect their authors, publishers, and third parties who need to be certain of a work's copyright status in acquiring a license to disseminate it.

II. The §101(2) Instrument Must Be Signed Before the Work Is Created.

The Seventh Circuit correctly decided that a §101(2) written instrument, must be signed before a work was created in order for it to be considered one made for hire. *Schiller &*

Schmidt, Inc., supra, at 830-31. (1992). It said the 1976 Act requires "predictability and certainty of copyright ownership..." which must be determined "at the outset ...", citing *CCNV v. Reid*, 490 U.S. at 749.

The structure of Title 17 also requires that the "written instrument" be signed before the work is created. *CCNV v. Reid*, 490 U.S. at 742. Copyright in each Nagel painting "subsisted from the moment of its creation" (§302(a)), and "vest(ed) initially in the author..." (§201(a)). At that moment, Nagel was the "author", not PLAYBOY; the painting was not a work made for hire under §101(2) because they had not previously signed a §101(2) written agreement for it. [The section's underlying intent was that the written instrument must be signed before the work was created. See: III, infra.]

The Court below, however, held that while §101(2) required the parties to "agree before the creation of the work that it will be a work made for hire", they could do so by an implied agreement, if it were "confirmed" by a written instrument signed after the work was created. 53 F.3d 549, 559.

The Court erred. An implied agreement cannot establish work-for-hire status under §101(2) even if it is confirmed in writing after the work is created. [Unlike §204(a), §101(2) does not provide that a later written instrument can confirm a prior unwritten transfer of copyright ownership.]

§101(2)'s language is clear and unambiguous. It provides that a commissioned work can attain for-hire status "if the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire."

§101(2)'s explicit provision that its "written instrument" is the means of establishing for-hire status of a commissioned work is conclusive. *United States v. Turkette*, 452 U.S. 576, 582. [That was §101(2)'s underling intent. III, infra.] And "strict adherence to the language" of §101(2) also is required since it was the result of carefully crafted compromises, *CCNV v Reid*, at 478, n.14.

§101(2) requires that in the instrument the parties must "*expressly agree*... that the work shall be considered a work made for hire." (emphasis ours). The word "expressly" is not surplusage and must be given its ordinary meaning. The PLAYBOY check legends do not "expressly" -- clearly, explicitly -- state that PLAYBOY and Nagel agree that his painting(s) "shall be considered a work made for hire" -- though "it would have been easy enough to have said so in express terms" if that is what they agreed to. *United States v. Thayer-West Point Hotel Co.*, 329 U.S. 585, 590 (1946).

The legend endorsements, which antedated this Court's decision in *CCNV v. Reid*, acknowledge "payment in full for services rendered on a work-for-hire basis", and seem to imply that Neal created each commissioned painting under the "employee" provisions of §101's first clause, §101(1). In *CCNV v. Reid*, 738-741, this Court rejected that view which had been applied by some Circuit Courts to commissioned works under a "control test."

The Circuit Court's conclusion also frustrates the fundamental principle of *CCNV v. Reid* that copyright ownership be determined with certainty at the outset. An implied agreement to consider a commissioned work as one made for hire might not be confirmed by a signed, written instrument for months or years or ever, leaving the work's copyright status in limbo -- indefinitely or perpetually.

III. The Intent Underlying §101(2)

Barbara Ringer, one of §101(2)'s authors, explained its intent at a Copyright Office Panel meeting. *COPYRIGHT LAW REVISION, Part 5; House Committee Print*, [89th Congress, 1st Session (September 1965)], at 37, 145. [The document is part of the legislative history. *CCNV v. Reid* at 744-748.]

She said a commissioned work "would not be considered 'a work made for hire' (under §101(2)) if the contract were signed later on -- after the work was written, for example."

She also said "there has to be a specific provision" spelling out the agreement that a work be considered made for hire, as a "red flag" to the author.

CONCLUSION

For the reasons stated, the petition for a writ of certiorari should be granted.

Respectfully submitted,

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